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ABSTRACT

This report presents results of a limited survey of the present status of state support of private higher education in each of the 50 states. It covers support of institutions as well as support of students. The section on each state reflects the view of the statewide coordinating body and financial aid agency that were requested to review and approve the information collected in their respective states. The following information is presented for each state, where applicable: (1) state support for private higher education, the mechanisms employed, such as capital facilities grants, loans, direct grants, or contractual arrangements for educational services; and current state appropriations for such programs; (2) state support for undergraduate and graduate students in private institutions through either scholarships, grants, or loans, and current state appropriations for such programs; and (3) legislation recently proposed for state support of private higher education and the action on such proposals. (AF)

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A LIMITED STUDY OF THE STATUS OF STATE SUPPORT OF PRIVATE HIGHER EDUCATION 1970

by

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U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
OFFICE OF EDUCATION

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A LIMITED STUDY OF THE STATUS OF STATE SUPPORT OF PRIVATE HIGHER EDUCATION, 1970

SUMMARY

I. Purpose and Method

This report presents results of a limited survey of the present status of state support of private higher education in each of the fifty states. It covers support of institutions as well as support of students.

During June and July 1970 State Associations of Independent Colleges, Offices of Student Financial Aid, and other agencies in each state were contaced for information on the amount and form of state support currently provided to private colleges and universities, and to the students attending these institutions. Copies of the enabling legislation covering each program were requested.

The information thus collected was written up and sent back to an official state agency for final review and approval. The section on each state therefore reflects the view of the statewide coordinating body and/or the financial aid agency. Some state arrangements which provide support for private institutions or their students may have been omitted from this study inasmuch as only those mentioned in the material returned by the approving agencies were included in this report.

The following questions are discussed:

(a) Does the state provide support for private institutions? What mechanisms are employed? Capital facilities grants? Loans? Direct grants? Contractual arrangements for educational services? Student places? What are the current state appropriations for such programs?

(b) Does the state provide support for undergraduate and graduate students enrolled in private institutions? Through scholarships? Grants? Loans? What are the current state appropriations for such programs?

(c) What legislation for state support for private higher education has been proposed recently? Action on proposals?

Since our request for information was limited to <u>state assistance</u> arrangements, situations were excluded in which state support had transformed the character of a privately administered institution so that it has become semi-public instead of wholly private (as, for example, the appropriations to the four contract colleges at Cornell University in New York, and to the three universities in Pennsylvania, technically private, which comprise the Commonwealth University System -- that is, Temple, Penn State, and the University of Pittsburgh).

No information was sought on contractual arrangements for research or operating activities but a few are reported in the detailed reviews of some states (e.g. Vermont's contract with Norwich University's Bureau of Business Research, South Carolina's contractual arrangements for bulk purchase of routine supplies and equipment through the state purchasing office). Similarly, although "virtually all states provide extensive tax exemptions to non-profit private institutions"*, only

* Challenge of Achievement, pg. 100, 1969 California Study

nine mentioned tax exemptions, deductions, or rebates as a form of state support of institutions.

II. Summary of Findings

Thirty-four* states have programs supporting private institutions and/or private school students.

A. Support of Institutions (Table I)

Seventeen states support private institutions by one or more of the following procedures:

1. Capital Construction Assistance (12 states)

Eleven states enable institutions to borrow money for educational facilities construction through self-financing corporations which issue tax-exempt bonds; Illinois (for health services) and New York (for medical schools) make matched fund construction grants in addition. Maryland has limited its matching fund construction grants to institutions judged to be at least de facto sectarian since the Horace Mann League decision in 1966. The legality of a Vermont provision for a state loan agency from which all institutions may borrow money is currently being tested in the courts.

2. Direct Grants (9 states)

Alabama, Ohio, Pennsylvania, and Wisconsin make outright unrestricted grants to specific private insitutions.

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* Does not include tax support or guaranteed loan plans.

TABLE I

Support of Institutions

State	Capital Construction Assistance		Direct Grants			Contractual Arrangements
	Financing Authority	Matched Fund Grants	Unrestricted to Individual Schools	Subsidy for Specified Programs	Per Earned Degree	Educational Services &/or Student Places
Alabama			x			x
Alaska						x
Connecticut	x					x
Florida				x		
Illinois	x	x (Health Services)				
Maryland		x				
Massachusetts	x					
Michigan	x				x (Dental)	
New Hampshire	x					
New Jersey	x			x		
New York	x	x (Medical)		x	x	x
North Carolina				x		
Ohio	x		x			
Pennsylvania	x		x			
South Carolina	x					x
Vermont	x					
Wisconsin			x			

New York's comprehensive grant program for independent schools is based on earned degrees (Bundy Plan); Mighigan's program is limited to earned degrees conferred by private dental schools in the state. Florida, New Jersey, New York, and North Carolina provide per capita enrollment-based subsidies for specified programs (e.g. medical and/or nursing; disadvantaged).

3. Contractual Arrangements (5 states)

Alabama, Alaska, Connecticut, New York, and South Carolina contract for educational services and places for students at private institutions within the state.

In addition, at least 25 states use contractual arrangements made through a regional agency to provide educational places or student aid at private out-of-state schools. Under this plan, a state requiring educational services in a given field contracts with a regional agency for a quota of places in an out-of-state college. The state agrees to pay a set amount per student to the institution (public or private). The regional agency then contracts with the receiving institution which agrees to enroll students who meet its admission requirements, waiving out-of-state tuition. Student aid contracts arranged through a regional agency enable a state to defray part of the costs for residents attending schools in other states.

Table II

State Contractual Arrangements Through Regional Agencies
for Out-of-State Student Places and/or Student Aid

States by Regional Agency	Amount to Private Institutions
Southern Region Educational Board	
Florida	$274,800
Alabama	129,674
Louisiana	68,600
North Carolina	68,000
Tennessee	60,200
Mississippi	56,000
Georgia	52,600
Virginia	47,650
Maryland	31,900
Texas	24,850
Arkansas	14,400
South Carolina	9,000
Kentucky	5,750
Western Interstate Commission for Higher Education	
Arizona	108,000
Nevada	47,401
Idaho	40,934
Hawaii	39,600
Montana	38,400
Colorado	26,400
Wyoming	17,400
Alaska	11,800
Oregon	8,668
New Mexico	7,200
Utah	2,400
New England Board of Higher Education	
Maine	25,000

Thirteen states have contracts with the Southern Regional Education Board under which students are studying dentistry, medicine, special education, veterinary medicine, etc. at seven out-of-state private institutions. Maine has a similar contract with the New England Board of Higher Education for dental places at Tufts in Massachusetts. The Western Interstate Commission for Higher Education has arrangements with 11 states which send students to private institutions in California for medical, dental, and physical therapy education, to Colorado for dental hygiene programs, and to Oregon for optometry. (Table II)

B. Support of Students (Tables III and IV)

Thirty-four states offer financial assistance to state residents enrolled in or attending private institutions through one or more of the following mechanisms:

1. Scholarships (Table III)

Twenty-four states provide general competitive scholarship awards (based on ability and need) for use at both public and private institutions. Delaware scholarships cover only out-of-state programs at private institutions; Louisiana has just six annual scholarships available for use at either public or private institutions. Comprehensive scholarship programs legislated in Kentucky and New Hampshire have never been funded. In addition to its

TABLE III

Support of Students

State	Scholarships			Grants		Loans	
	Competitive Ability and Need	Special Status	Critical Area Service	Incentive Grants-in-Aid Ability &/or Need; Disadvantaged	Tuition Equalization	Service Cancellable Scholarship Loans	Direct Loans
Alabama			x				
Alaska	x				x	x	
California	x		x	x			
Connecticut	x	x	x	x			
Delaware[1]	x						
Florida	x	x				x	x
Georgia			x			x	
Illinois	x			x			
Indiana	x						
Iowa	x				x	x	
Kansas	x						
Kentucky[2]	x	x					
Louisiana	x						
Maryland	x			x (War Orphans)			
Massachusetts	x		x				
Michigan	x				x		
Minnesota	x	x	x	x			
New Hampshire[2]	x						
New Jersey	x			x	x		
New York	x	x	x	x			
North Carolina		x	x			x	
Ohio				x			
Oregon	x				x		
Pennsylvania	x			x			
Rhode Island	x	x	x				
South Carolina					x		
South Dakota		x					
Tennessee						x	
Texas							x
Vermont	x			x			x
Virginia			x				
Washington				x			
West Virginia	x						
Wisconsin	x	x	x	x (Special Programs)	x		

1 Out-of-state only.

2 No appropriation

general program Vermont awards scholarships based on ability only; many other states confer an honorary award to talented students not demonstrating financial need.

Nine states mention special status scholarship awards (e.g. Indian, veterans, handicapped); 11 states provide service scholarships for students who enroll in and agree to work in critical area fields in the state after graduation.

2. Grants (Table III)

Seventeen states offer some form of grant assistance to students.

Tuition-Equalization Grants (7 states)

Seven states provide an amount paid to or for a student who has been admitted to a private school as a means of reducing the differential between public and private tuition and fees; determined by need and/or performance. Tuition-equalization grants operate similarly to other direct grants except that the amount of money is linked to the difference in charges between the public and independent institutions. Alaska, Iowa, Michigan, New Jersey, Oregon, South Carolina, and Wisconsin have tuition-equalization programs.

Incentive Grants-in-Aid (12 states)

New Jersey, Ohio and Vermont offer non-repayable

tuition grants to permit able and needy students to attend public or private institutions. Wisconsin has a similar plan covering subject areas not offered at state-supported schools. Eight states (California, Connecticut, Illinois, Minnesota, New Jersey, New York, Pennsylvania, and Washington) provide non-competitive educational opportunity grants for needy and disadvantaged students at varying levels of academic ability. Maryland has a War-Orphans grants-in-aid program.

Table IV shows the dollar amounts provided by 15 states which make major appropriations for comprehensive scholarship and/or grant programs. The amounts used by private colleges and universities were estimated by some states (in the absence of an actual tabulation in the state offices).

3. Loans (Table III)

Cancellable Scholarship Loans for study in areas of critical need (e.g. teaching, nursing, medical, etc.) offered by Florida, Georgia, Iowa, North Carolina, and Tennessee are forgiven for in-state work in the field after graduation. Alaska has remissable general scholarship loans.

Direct Loans: Florida and Vermont have small direct loan programs for eligible and needy students attending state institutions. Texas has a massive direct loan

TABLE IV

Major State Appropriations for
Comprehensive Scholarship and Grant Programs, 1969-70

State	SCHOLARSHIPS AND GRANTS		SCHOLARSHIPS ONLY		GRANTS ONLY	
	Total	Amount to Private Institutions (approx)	Total	Amount to Private Institutions (approx)	Total	Amount to Private Institutions (approx)
New York	$65,900,000	$42,713,000	$28,800,000	$17,856,000	$37,100,000	$24,857,000
Pennsylvania	52,369,000	27,120,000	51,400,000	26,728,000	969,000	392,000
Illinois	26,180,000	20,272,000	10,380,000	8,205,000	15,800,000	12,067,000
California	14,850,000	12,702,500	13,850,000	11,772,500	1,000,000	930,000
Michigan	12,500,000	7,755,000	7,300,000	2,555,000	5,200,000	5,200,000
New Jersey	11,850,000	6,966,000	6,900,000	2,415,000	4,950,000	2,587,000
Ohio*	8,500,000	6,000,000	--	--	8,500,000	6,000,000
Indiana	3,080,000	1,607,760	3,080,000	1,607,760	--	--
Maryland	3,008,615	1,203,444	3,008,615	1,203,444	--	--
Wisconsin	2,950,000	2,260,000	750,000	60,000	2,200,000	2,200,000
Massachusetts	2,000,000	1,500,000	2,000,000	1,500,000	--	--
Iowa	1,762,500	1,618,125	262,500	131,250	1,500,000	1,500,000
Connecticut	1,067,500	650,000+	877,500	650,000	190,000	not available
Oregon	815,400	703,510	167,000	55,110	648,400	648,400
Minnesota	775,000	475,525	575,000	385,525	200,000	90,000

* Ohio appropriations are for 1970-71 fiscal year.

program (estimated amount of loans for 1970-71 almost $30 million).

Guaranteed Loan Programs (Table V)

This widespread form of student assistance is coordinated under the Higher Education Act of 1965 and variously administered in the individual states.

Each state has one or more guarantee plans for its residents; 20 have state-guaranteed student loan programs operated by state agencies. In five (Delaware, Maine, Maryland, Missouri, Nevada) a state agency contracts with United Student Aid Funds, Inc. for USAF-endorsed loans. USAF administers the guarantee program and endorses student loans for Alaska, Louisiana (residents attending out-of-state schools) and South Carolina. Regional offices of the U. S. Office of Education operate federally-insured guaranteed loan programs for 24 states. Vermont has both a federally-insured and a state-guaranteed loan program.

All guaranteed loan programs have the same terms, and the federal government will pay interest up to 7% during school and periods of authorized deferment for students who come from a home with an adjusted family income under $15,000 under all plans. Students from families with higher incomes may borrow funds under the guaranteed loan program but they receive no interest

Table V

GUARANTEED STUDENT LOAN PROGRAM
Program Status as of May 1970

Federally Insured	State Guaranteed	USAF Endorsed
Alabama	+Arkansas	Alaska
Arizona	+Connecticut	Delaware *
California	+Georgia	Louisiana- (Out-of-State)
Colorado	+Illinois	+Maine *
Florida	+Louisiana (In-State)	+Maryland *
Hawaii	+Massachusetts	+Missouri *
Idaho	+Michigan	+Nevada *
Indiana	+New Hampshire	South Carolina
Iowa	+New Jersey	
Kansas	+New York	
Kentucky	+North Carolina	
Minnesota	+Ohio	
Mississippi	+Oklahoma	
Montana	+Oregon	
Nebraska	+Pennsylvania	
New Mexico	+Rhode Island	
North Dakota	+Tennessee	
South Dakota	+Vermont	
Texas	Virginia	
Utah	+Wisconsin	
Vermont		
Washington		
West Virginia		
Wyoming		

+ Federal Reinsurance
* Under Contract with State Agency

subsidy. Students obtain loans from any private commercial lenders (banks, savings and loan companies, insurance companies, credit unions) participating in the plan.

In general, states have not provided guarantee funds, so most of the guarantee money has come from federal appropriations advanced to the states which they must repay later.

C. Constitutional Limitations

Only thirteen states indicated constitutional limitations prohibiting state support of private higher education. However, the constitutions of most states forbid direct appropriations of tax funds to institutions that are privately controlled or under sectarian religious control.*

D. Recent Legislative Proposals

Legislatures consider new proposals for state support each year. Bills to amend the state constitution to permit such aid in California and South Carolina were defeated in 1970; a similar proposal will go to Georgia voters through a referendum in November 1970. Tuition grant bills defeated in four states during 1970 will be resubmitted in Illinois, Oregon, and South Dakota in 1971. Tuition-equalization proposals, also defeated in four states, will be resubmitted in Indiana, Kentucky, and Missouri in 1971.

* Report on the Status of Private Higher Education in Missouri, A. O. Pfnister and Gary Quehl, 1967.

STATE BY STATE SUMMARY OF STATE SUPPORT OF PRIVATE HIGHER EDUCATION

State Support of Private Higher Education

ALABAMA

SUPPORT OF INSTITUTIONS

Direct Grants

The state constitution permits appropriations to an educational institution not under the absolute control of the state by a vote of two-thirds of all members elected to each house. (Section 73) Such funds are directly appropriated in separate bills rather than in the general appropriation bill for education; the acts are self-executing and require no further enabling legislation. For a number of years the legislature has traditionally voted funds for:

Institution	1970 Appropriations
Tuskegee Institute	$470,000
Walker County Junior College	75,000
Marion Institute (Junior College)	75,000
(Lyman Ward Military Academy)	42,617

Contractual Arrangements

The Alabama Code (1958 Title 52, 40, 1-40, 3) permits the state board of education to provide graduate and professional instruction at any educational institution as it deems necessary, within or without state boundaries. Funds appropriated for general education purposes for 1970-71 (Act 91, Special Session 1969) include contractual service arrangements with:

Sylacauga Nurses Training School	$ 40,000
Southern Regional Educational Board	$108,000

The 1970 appropriation to SREB is for the Board's contracts with various schools for out-of-state places and aid for Alabama students. (e.g. Peabody $5732 for teacher training; Meharry Medical College $96,200) Total SREB appropriation 1969-70: $165,200. Amount to private institutions: $129,674.

SUPPORT OF STUDENTS

Scholarships

Service scholarships are awarded annually to 21 Negro applicants at the Tuskegee Institute School of Nursing on the basis of competitive examination of aptitude and ability. Students must agree to practice in Alabama for at least one year after completing courses. 1970 appropriation $4,200. (Enabling Act 590, 1957)

Grants

None

Loans

Guaranteed Loan Plan: Region IV of the U. S. Office of Education operates the federally-insured guaranteed loan program.

State Support of Private Higher Education

ALASKA

SUPPORT OF INSTITUTIONS

Contractual Arrangements

In June, 1970, the legislature authorized the Alaska Higher Education Commission to enter into contractual agreements with accredited, privately sponsored institutions of higher education in Alaska for the provision of educational services to Alaska residents (Article 11, House Bill 599).

The state contracts for out-of-state student places through the Western Interstate Commission for Higher Education. 1970-71 appropriation: $11,800 to private institutions.

SUPPORT OF STUDENTS

Scholarships

In June, 1970, the legislature created a scholarship grant and loan fund for state residents (Act 599). The Alaska Higher Education Facilities Commission administers the scholarship program through the Department of Education. 1970-71 appropriation: $250,000. Comparative items of academic ability and financial need are considered in determining the award of scholarships rather than a loan.

Grants

Tuition Equalization Grants are given without obligation for repayment to eligible students selected by the administering authority; they may be used for tuition, room and board, required fees and books at an accredited Alaskan college or university.

Loans

State Scholarship Loans (Act 599 as above) are repayable but carry a forgiveness clause for each year spent in the state after completion of studies and/or military service.

Guaranteed Loan Plan: United Student Aids Fund, Inc. operates the state's USAF-endorsed guaranteed loan program.

State Support of Private Higher Education

ARIZONA

SUPPORT OF INSTITUTIONS

Contractual Arrangements for out-of-state student places are made through the Western Interstate Commission for Higher Education. 1970-71 appropriation to private institutions: $108,000.

SUPPORT OF STUDENTS

Scholarships

None

Grants

None

Loans

Guaranteed Loan Plan: Region IX of the U. S. Office of Education operates the state's federally insured loan program.

RECENT LEGISLATIVE PROPOSALS

For two successive years no affirmative action has been taken on a legislative proposal covering tuition equalization grants to the state's three private colleges. The proposal provided for granting the private institution of the student's choice an amount equal to the state cost per student in state colleges.

State Support of Private Higher Education

ARKANSAS

SUPPORT OF INSTITUTIONS

No direct aid by the state.

Although a study was made of the places available in private institutions and the potential savings this could mean to the state, no action has been taken.

Contractual arrangements for student places and student aid at out-of-state institutions are made through the Southern Regional Education Board. Total SREB appropriation 1969-70: $204,600. Amount to private institutions: $14,400.

SUPPORT OF STUDENTS

Scholarships

None

Grants

None

Loans

Guaranteed Loan Plan: The Arkansas Student Loan Guarantee Foundation operates the state guaranteed student Loan Program. No state appropriations for guarantee reserves were made in 1969-70, 70-71.

State Support of Private Higher Education

CALIFORNIA

SUPPORT OF INSTITUTIONS

1. Exemption from property taxes (Article XIII-Section 1a, Constitution).

2. Authority to condemn property in same manner as public agencies.

3. Tax deductions for contributions (Section 17054, Revenue and Tax Code).

SUPPORT OF STUDENTS (All programs are operated by the California State Scholarship and Loan Commission)

Scholarships

State Scholarship Program: During the 1970-71 academic year approximately 16,200 competitive State Scholarships will be awarded, of which about 6,000 will go to new recipients. Award winners are selected first on the basis of highest academic achievement and are then screened as to financial need. The number of new scholarships granted each year was raised in 1970 to 3% of the number of California high school graduates the previous year. (Assembly Bill #31, 1970) The awards at independent colleges will range from $300 to $2,000 in $100 intervals, varying according to the student's need for financial assistance and the tuition at the college he will attend. State scholarships are for accredited California schools, may not exceed tuition and fees, and may not be used for room and board, books, or living expenses. (Assembly Bill #31-1970 Regular Session)

Graduate Fellowship Program: Created in 1965 to provide financial aid for outstanding graduate students who intend to become college teachers, in order to increase the supply of college and university faculty in California with special emphasis on fields in which there is believed to be a critical shortage of teachers. Fellowships cover tuition and other required student fees. Each award is determined on the basis of need and the level of charges of the institution attended. The number of fellowships granted each year has been set by statute at the equivalent of 2% of the number of baccalaureate degrees awarded the previous year. It is expected that 1200 State Fellowships will be awarded for 1970-71.

Total scholarship appropriation for 1970-71 was $13,850,000. About half the scholarships and 85% of the money -- $11,772,500-- will go to private institutions.

Grants

College Opportunity Grant Program: Legislation passed in 1969 authorized grants for entering college students (generally, though not exclusively, minority and coming from low income families) who are not necessarily able to obtain scholarships through the use of conventional selection methods. No minimum level of grades or test scores is required for acceptance in this program; but high potential students are sought. The grants are used for the student's living expenses, transportation, supplies, books, and educational expenses and range from $500 to $1,000 according to the student's need for financial assistance at the public community or junior college he attends as determined by the Commission. Students receiving these grants are expected to begin their higher education at a public community or junior college. The Commission may make a limited number of exceptions for students to attend a public or private four-year college or university in which case an additional amount would be allowed for payment of tuition and fees. One thousand College Opportunity Grants were awarded in 1970-71: Appropriation $1,000,000. About 93% went to private junior colleges -- $930,000.

Loans

Guaranteed Loan Plan: Region IX of the U. S. Office of Education administers the federally insured guaranteed student loan program.

RECENT LEGISLATIVE PROPOSALS

A state constitutional amendment designed to permit direct appropriation of public funds for private colleges and universities was adopted by the Assembly but refused by the Senate and will not be placed on the November ballot.

State Support of Private Higher Education

COLORADO

SUPPORT OF INSTITUTIONS

Contractual Arrangements

The state contracts through Western Interstate Commission for Higher Education for student places. 1970-71 appropriation to private institutions: $26,400.

Occasional contractual arrangements are made with a college or university. For example, state funds go to private institutions for research, studies, and special classes for policemen.

SUPPORT OF STUDENTS

Scholarships

None

Grants

None

Loans

Guaranteed Loan Plan: Region VIII of U.S. Office of Education operates the state's federally insured student loan program.

State Support of Private Higher Education

CONNECTICUT

SUPPORT OF INSTITUTIONS

Contractual Arrangements

Additional student places in independent Connecticut colleges are provided through contractual agreements with individual colleges. (Public Act No. 627) The law specifies that the amount of money per Connecticut student paid to the independent colleges shall not exceed the cost to Connecticut for educating that student in the public system. The plan stipulates that 125% of the current tuition be paid to the college for each additional Connecticut student it admits over a certain base year figure. The college agrees to return 100% of the tuition to Connecticut students in the form of financial aid; it uses the remainder as it desires. This provision holds only when 125% of the tuition is less than the cost to the state. Total appropriation for 1970-71 is $1,500,000 for 764 additional students.

Capital Construction Assistance

The Health and Education Facilities Authority finances construction of hospitals and construction of buildings for private colleges only. The Authority issues both long- and short-term tax-exempt bonds to finance construction. It then leases the facility to the private institutions, and after a certain number of years the building becomes the property of the institution. $76,000,000 worth of bonds have been sold since 1965; since January 1, 1970, $6,500,000.

SUPPORT OF STUDENTS

Scholarships

At least 600 competitive State Scholarships will be awarded in 1970 to qualified state residents who need financial help to continue their education. Individual awards range from $100 to $1,000 a year for undergraduate and graduate study. Recipients are permitted to choose any degree granting institution that is approved by the Commission for Higher Education; the institution disburses the funds. (Section 10-116d, 1967-P.A. 475)

Scholarship grants to post-graduate students are limited to no more than 10% of the total scholarship funds disbursed in any one year. (1963, P.A. 581, S.4)

Total scholarship appropriation for 1969-71, $2,400,000; 1969-70: $877,500, of which about $650,000 went to private institutions.

A limited number of scholarships are awarded to teachers seeking certification in areas where there is a shortage -- 1970-71 appropriations were $70,000.

Financial assistance awards are made to children of deceased and totally disabled veterans (P.A. 378-1969). 1969-71 appropriation: $52,000.

Grants

Opportunity Grants up to $1,000 to cover tuition, books, fees, board and related educational expenses are made to Connecticut residents whose educational achievement has been restricted because of economic, social, or environmental disadvantages. (Public Act #276) Recipients must be accepted in a program of pre-college or undergraduate study at any post-secondary institution in Connecticut.

Appropriations for 1969-71, $380,000; no breakdown on amount received by private institutions.

Loans

Guaranteed Loan Plan: The Connecticut Student Loan Foundation is a non-profit, state-supported corporation which operates the state-guaranteed student loan program. No appropriations to reserve funds in 1970-71. Value of loans made in 1969-70: $27,300,000; value of loans estimated for 1970-71: $30,000,000. Private Connecticut schools receive 35% of the total appropriation; private out-of-state schools receive an estimated 52% of the total appropriation.

State Support of Private Higher Education

DELAWARE

SUPPORT OF INSTITUTIONS

None

SUPPORT OF STUDENTS

Scholarships

The State Department of Public Instruction administers a state scholarship program for needy students who are accepted at accredited out-of-state schools, public or private, for programs not available within the state. The maximum award is $800 per student. Appropriation for 1970-71 was $120,000. No breakdown exists on the proportions used at private or public institutions.

Loans

Guaranteed Student Loan Plan: Delaware contracts with United Student Aids Fund, Inc. to operate the USAF-endorsed state guaranteed student loan program. The total loan capacity for 1970-71 was $900,000; the state appropriation for that period is $90,000.

Grants

None

State Support of Private Higher Education

FLORIDA

SUPPORT OF INSTITUTIONS

Per Capita Subsidy Grants for Specified Programs

State funds appropriated to the University of Miami (independent) cover a per student subsidy of $6,500 for up to 368 Florida residents enrolled in the medical school. Appropriation for 1969-70 -- $330,000.

Contractual Arrangements

The state contracts with the Southern Regional Education Board for arrangements with out-of-state institutions for dental, medical, special education, actuarial science, and veterinary students. 1969-70 appropriation to SREB $640,200. Amount for student places at private institutions:$274,800.

SUPPORT OF STUDENTS

Scholarships (1969 Statutes-Chapter 239)

Regents Scholarships determined on the basis of need are awarded to students who rank in the top 10% of the state's high-school seniors. Scholarships cover tuition and fees up to $1,200 for one academic year at an approved Florida college. They may be renewed annually if eligibility requirements are maintained. Appropriation for 1969-70 $900,000; about 57% or $513,000 to private institutions. 1970-71 appropriation· $1,520,000.

Seminole Indian scholarships are awarded annually to a boy and girl on the basis of competitive examination. 1970-71 appropriation: $4,800. The majority are used at public institutions.

Competitive Scholarship Loans: Loans for which students sign promissory notes agreeing to work in the state after graduation include:

Scholarships for graduate students in Psychology, Social Work, and Clinical Psychology are provided by the State Division of Mental Health (Chapter 402). 1969-70 appropriation $20,000. No breakdown available on amount to private institutions.

Special Training in Exceptional Child Education (three programs) Appropriation 1970-71: $213,750. No breakdown available on amount to private institutions.

Medical and Dental Education: Appropriation 1970-71: $24,000. No breakdown available on amount to private institutions.

Preparation of Teachers: Appropriation 1970-71: $930,000; 16% or $148,800 to private institutions.

Nursing Education (all levels): Total appropriation 1970-71: $176,000; only one private school shares a minimal portion of these funds.

Loans

The state student loan program administered by the State Department of Education, provides loans to eligible needy students attending Florida institutions. (Act 239:67) 1969 budget $820,000; about 35% or $287,000 to private institutions.

Guaranteed Loan Plan: Region IV of the U. S. Office of Education operates the state's federally-insured guaranteed student loan program.

State Support of Private Higher Education

GEORGIA

SUPPORT OF INSTITUTIONS

Contractual Arrangements for student places and student aid at out-of-state institutions are made through the Southern Regional Education Board. Total SREB appropriation 1969-70: $52,600 of which all went to private institutions.

SUPPORT OF STUDENTS

Scholarships

Cancellable Scholarship Loans are awarded annually by the State Scholarship Commission to academically able undergraduate and graduate students who wish to study in an approved paramedical, professional or educational field. The amount awarded varies according to the students'financial needs and costs of attending a particular accredited institution in or outside the state. Recipients repay the scholarships by practicing their profession in Georgia, or in cash at 6% interest. The state appropriation for 1970-71 is $100,000 with the amount going to private institutions estimated at less than 20%.

The Teacher Scholarship Program is available to scholastically able Georgia residents who plan to attend a Georgia college and remain in the state to teach after graduation. They may receive up to $1000 a year. Students repay scholarships of $1000 to $3000 by teaching for a period of three years, or in cash at 5% interest. Additional scholarships of up to $1800 per year are available to former recipients who wish to do graduate work. The 1970-71 appropriation is $1,600,000 with $800,000 in new awards and $800,000 for upgrading. The amount to private institutions is unknown.

The Medical Scholarship Program is available to Georgia residents who are accepted at accredited medical colleges anywhere in the United States. They may reserve scholarships of $1250 yearly for four years. The total scholarship may not exceed $5000 and may be repaid by practicing medicine in an approved community, at any state institution or penal institution. If a recipient agrees to practice medicine for five years in a rural area of 10,000 or less he need not repay the amount. The appropriation for 1970-71 is $200,000. There are no figures for the amount going to private institutions.

Loans

Guaranteed Loan Plan: The Georgia Higher Education Assistance Corporation operates the state-guaranteed student loan program. The 1969-70 volume of loans is $9,471,668.

RECENT LEGISLATIVE PROPOSALS

1. A proposed constitutional amendment (S.R. #86) to be submitted to the voters in November 1970 should authorize the State General Assembly to provide grants or scholarships to citizens of Georgia who are attending colleges or universities which are not branches of the University System of Georgia. The maximum amount would be $500 per academic school year.

2. A resolution (S. R. 227) proposing an amendment to the Constitution so as to provide tax exemption for homestead owners whose dependents attend private educational institutions was defeated in February 1970.

State Support of Private Higher Education

HAWAII

SUPPORT OF INSTITUTIONS

Contractual Arrangements are made through the Western Interstate Commission for Higher Education for out-of-state student places. Appropriation to private institutions 1970-71: $39,600.

SUPPORT OF STUDENTS

Scholarships

None

Grants

None

Loans

Guaranteed Loan Plan: The State Office of Budget & Finance administers the federally insured guaranteed student loan program.

State Support of Private Higher Education

IDAHO

SUPPORT OF INSTITUTIONS

Contractual Arrangements are made through Western Interstate Commission for Higher Education for out-of-state student places. 1970-71 appropriation to private institutions: $40,934.

SUPPORT OF STUDENTS

Scholarships

None

Grants

None

Loans

Guaranteed Loan Plan: Region VIII of the U. S. Office of Education operates Idaho's federally insured guaranteed loan program.

State Support of Private Higher Education

ILLINOIS

SUPPORT OF INSTITUTIONS

Capital Construction Assistance

1. The 1969 legislature created the Illinois Educational Facilities Authority which has power to raise money by issuing revenue bonds to fund construction for all approved non-profit institutions of higher education in the state. (House Bill #1273)

2. The Health Services Education Grants Act of 1970 (House Bill #3314) provides for the Board of Higher Education to make grants to non-profit health service educational facilities (medical, dental, and nursing schools, hospitals, and clinical facilities). The 1970 appropriation was $8,000,000. An amendment added that the sum of $6,100,000, or as much as is necessary and unexpended by June 30, 1970 be reappropriated from a former appropriation (PA 76-1856) to the Board of Higher Education, and used as matching funds for a U. S. government grant for the construction of or addition to medical school facilities of Chicago Medical School.

SUPPORT OF STUDENTS (The Illinois State Scholarship Commission, created by the legislature in 1957, is responsible for administration of student financial aid programs.)

Scholarships

State Scholars: About 9% of all Illinois high school seniors are recognized annually on the basis of test scores and achievement records. Monetary awards are based on qualifying records and need. Those who do not demonstrate financial need receive honorary awards. Scholarships may be used at any qualified public or private institution. (Chapt.122-30) 1969-70 total appropriation: $10,380,000; amount used at private institutions $8,205,000.

Grants

An educational opportunity grant-in-aid program is a non-competitive and open application program available to all Illinois residents (except State Scholars) who are attending or plan to attend approved Illinois institutions as full-time students. (Section 30-15.7a) This program provides gift assistance to students at varying levels of academic ability providing they can successfully enter and continue to progress satisfactorily through a college program. Total appropriation 1969-70: $15,800,000. Amount to private institutions: $12,067,000.

Loans

Guaranteed Loan Plan: The Illinois State Scholarship Commission

administers the state-guaranteed student loan program -- 1969-70 appropriation to reserve guarantee fund: $1,900,000.

RECENT LEGISLATIVE PROPOSALS

The "Illinois Financial Assistance Act for Non-Public Institutions of Higher Learning," a proposal to provide direct grants of $100-$500 per student to be administered by the State Board of Higher Education, called for appropriations of $14,000,000. (Bill #3734) It did not pass when submitted in the past two sessions and cannot be reconsidered until January, 1971.

State Support of Private Higher Education

INDIANA

SUPPORT OF INSTITUTIONS

Tax Deduction

Individuals and corporations may claim up to 50% of contributions to higher education institutions as tax credit. (Up to $50 for individuals and $500 for corporations.)

SUPPORT OF STUDENTS

Scholarships

Honorary Awards with no financial assistance are granted on the basis of merit to students who do not demonstrate financial need.

Monetary Awards granted in annual amounts from $100 to $800 may not exceed the cost of tuition and regularly assessed fees and are payable directly to the college. (1965 Indiana Scholarship Act, 28-5755) Scholarship aid is rated on descending order or merit academically when financial need has been proven. Appropriation 1969-70 -- $3,080,000. 52.2% or $1,607,760 went to private institutions.

Grants

None

Loans

Guaranteed Loan Plan: Region V of the U. S. Office of Education administers Indiana's federally-insured guaranteed student loan program.

RECENT LEGISLATIVE PROPOSALS

An amendment to the Indiana State Scholarship proposed tuition-equalization grants for highly qualified needy students to attend approved private colleges. (Engrossed Senate Bill #142) Although passed by the legislature, the bill was vetoed by the Governor because no amount was specified for funding. The proposal is being redrafted for 1971 presentation to the legislature.

State Support of Private Higher Education

IOWA

SUPPORT OF INSTITUTIONS

None

SUPPORT OF STUDENTS

Scholarships

Since 1966 the state has provided competitive scholarships based on need and ability for students entering college. (Iowa Code 1966-Chapt. 261) In 1969 this was amended to include students attending area vocational schools, community colleges, and schools of professional nursing. (House File 71) Monetary awards range from $100 to $800, depending upon the student's need and the tuition at his chosen college; scholarship gifts may be used only for tuition and fees at approved Iowa institutions. Awards are renewable for the sophomore year. Honorary scholarships are awarded to applicants who qualify academically but do not need financial assistance.

Appropriation 1969-70 biennium $525,000. (Senate File 636) Approximately 45% or $236,250 went to private institutions. 1969-70: $262,500; approximately one-half, $131,250, went to private institutions.

Grants

Iowa Tuition-Equalization Program: established May 1969 (Senate File 295) for students attending private colleges and universities. The maximum grant per year is $1,000 or tuition and mandatory fees less $610, whichever is the lower figure. The $610 deduction represents the average tuition which the student would pay at a state university. The student may receive both a scholarship and tuition grant, provided that the total in state aid does not exceed the total amount of tuition and fees. Recipients must be Iowa residents, enrolled in eligible private colleges within the state. Appropriations: 1969-70 - $1,500,000; 1970-71 - $3,000,000 (2,000 recipients).

Loans

State Medical Loan Program: Provides full tuition for up to three years of medical school at the College of Osteopathic Medicine and Surgery (private), and the University of Iowa (public). The loans are cancellable if the graduate practices general medicine in the state of Iowa. $300,000 was appropriated for the biennium 1969-71. $229,486 went to the private institution.

Guaranteed Loan Plan: Region VI of the U. S. Office of Education operates the state's federally insured guaranteed student loan program.

State Support of Private Higher Education

KANSAS

SUPPORT OF INSTITUTIONS

None

SUPPORT OF STUDENTS

Scholarships

In 1963, the legislature (Article 68) established the Kansas State Scholarship program administered by the State Department of Public Instruction enabling 150 college freshmen to attend Kansas colleges of their choice each year. The scholarships are renewable for the sophomore year. Honorary scholarship winners receive certificates marking their scholastic performance but cash awards are outright gifts based on academic performance plus need. The stipend is paid directly to the college. Appropriations for 1970-71 -- $150,000; approximately 25% ($37,500) to private institutions.

Grants

None

Loans

Guaranteed Loan Plan: Region IV of the U. S. Office of Education operates the federally insured student loan program.

N.B.- In 1968, $15,000 was appropriated in support of dental students attending out-of-state schools since Kansas has no dental school.

State Support of Private Higher Education

KENTUCKY

SUPPORT OF INSTITUTIONS

Contractual arrangements for student places and student aid in out-of-state institutions are made through the Southern Regional Education Board. Total SREB appropriation 1969-70: $15,089. Amount to private institutions: $5,750.

SUPPORT OF STUDENTS

Scholarships

Legislation in effect since 1966 permits scholarships grants and loans at the state level (Statute 164-754). However, a general scholarship program has not been funded.

Modest appropriations have been made to the Kentucky Higher Education Assistance Authority for a program providing $500 per academic year to students with high potential who come from families receiving public assistance. The agency authorizes the Department of Economic Security to administer the program and transfers funds to it for that purpose. A student may attend the school of his choice, but since tuition costs at state schools usually are less, most of the scholarship dollars go to state-supported schools -- state appropriations for 1970-71: $172,500 -- up to 25% or about $43,000 to private institutions (best estimate).

Grants

None

Loans

Guaranteed Loan Plan: Prior to 1969 the State contracted with USAF for operation of the federally insured student loan program. Since 1969 the program has operated through Region VI, U. S. Office of Education, for its federally insured guaranteed loan program.

RECENT LEGISLATIVE PROPOSALS

A 1970 legislative proposal (Senate Bill #85) calling for tuition equalization grants to Kentucky residents as "supplementary aid to students who beat the major costs of attending independent colleges and universities" was voted down in the Senate Education Committee and did not reach the floor of the legislature. The recommended appropriation for 1970-72 was $2,500,000. Pressure is being exerted by the Council of Independent Colleges and Universities to reintroduce this or a similar measure during the next legislative session.

State Support of Private Higher Education

LOUISIANA

SUPPORT OF INSTITUTIONS

Contractual arrangements for student places and student aid in out-of-state institutions are made through the Southern Regional Education Board. Total SREB appropriation 1969-70: $185,450. Amount to private institutions: $68,600.

SUPPORT OF STUDENTS

Scholarships

The Stonewall Jackson Scholastic Scholarship is awarded on the basis of an essay competition on Stonewall Jackson conducted among high school seniors who have earned an "A" average in four years of high school. Approximately six $300 scholarships are available each year which can be used at all public or non-public institutions.

Grants

None

Loans

Guaranteed Loan Plan: Since 1964, The Louisiana Higher Education Assistance Commission has operated a state-guaranteed loan program for students attending Louisiana institutions of higher education. (Act 23 of 1964) A 1970 amendment widened the provisions to include undergraduate degree students whose curriculum is not available in Louisiana, and permits graduate students to apply for a loan to attend any acredited college in the U.S. Approximately 10% of the loan funds are processed for students enrolling in private institutions. The State appropriation to reserve funds was $350,785 in 1969-70; no appropriation was requested for 1970-71.

The state provided some original seed money for United Student Aid Fund, Inc. which processes USAF-endorsed loans for Louisiana students attending colleges or vocational schools outside the state.

State Support of Private Higher Education

MAINE

SUPPORT OF INSTITUTIONS

Contractual Arrangements

Maine has contracted with the New England Board of Higher Education to reserve 30 places for Maine students at Vermont Medical College, University of Vermont, and 10 at Tufts Dental College during 1971-72. The state, through NEBHE, pays $2,500 of each student's tuition. Funding for this program is expected to increase in the future. Appropriation for 1971-72, $100,000; $25,000 to private sector.

SUPPORT OF STUDENTS

Scholarships

None

Grants

None

Loans

Guaranteed Loan Plan: Maine contracts with United Student Aids Fund , Inc. to operate its USAF-endorsed guaranteed student loan program.

RECENT LEGISLATIVE PROPOSALS

1. A 1969 act appropriating funds for educational costs for Maine students in private schools of higher education (L.D. #1228) has been indefinitely postponed and referred to the Maine Education Council for study.

2. An amendment to the Constitution providing for use of state credit for construction loans to private colleges (L.D. #865) was passed and approved by the Governor but was turned down in a referendum submitted to the people in November 1969.

State Support of Private Higher Education

MARYLAND

SUPPORT OF INSTITUTIONS

Capital Construction Assistance

Maryland has provided facilities assistance for its private institutions for some years, with the only requirement being that the recipient schools match the construction grants dollar for dollar and indicate in advance for what purpose the money is to be used. In 1965, some $6 million was appropriated for this program. The Horace Mann League decision in 1966 has since limited this program only to those institutions judged to be at least de facto non-sectarian. In 1966, Washington College received $545,000 and Goucher College received $510,000. In 1970, the University of Baltimore received $1,250,000 for reconstruction and building expansion (S. 359, 1970). All grants for capital improvements are authorized bv the General Assembly.

Contractual Arrangements with Southern Regional Education Board for out-of-state places and aid. Total appropriation 1969-70: $107,425; amount to private institutions: $31,900.

SUPPORT OF STUDENTS

Scholarships

Senatorial Scholarships of up to $1500 are awarded to students on the basis of competitive academic examination (SAT). Each state senator has an annual quota of $145,000 to award to residents of his Senatorial District or subdistrict. Recipients may use them in any eligible Maryland institution approved by the State Department of Education. Appropriation 1970-71 -- $2,494,000.

General State Scholarships of up to $1500 per year, based on financial need and performance on the SAT, are awarded to any high school senior who meets residential requirements and is accepted for admission at any Maryland institution of higher education approved by the State Department of Education. No fixed number of awards is provided since each political subdivision is allocated a percentage of the total General scholarship funds based on the number of delegates it sends to the Maryland General Assembly. Half the awards in each subdivision go to the "ablest of the needy" and half go to the "neediest of the able." Appropriation 1970-71 -- $514,615. Total scholarship dollars to private institutions: 40% or $1,203,444.

Grants

The War Orphan Grants-in-Aid Program provides financial assistance of up to $500 for children of Maryland residents killed or permanently disabled in armed service. The awards are made by the State Scholarship Board upon proper legal certification of eligibility and are payable to any approved in-state or out-of-state institution selected by the student. 1970-71 appropriation $150,000. No breakdown on amount to private sector.

Loans

Guaranteed Loan Plan: The Maryland Higher Education Loan Corporation guarantees MHELC loans made by Maryland lenders. The Corporation contracts in agreement with the United Student Aids Fund, Inc. to process and endorse the guaranteed student loan program.

State Support of Private Higher Education

MASSACHUSETTS

SUPPORT OF INSTITUTIONS

Tax exemption for institutional property used for education.

Capital Construction Assistance

The Health and Education Facilities Authority finances construction of hospitals and construction of buidings for private colleges only. The Authority issues both long- and short-term tax-exempt bonds to finance construction. It then leases the facility to the private institutions, and after a certain number of years the building becomes the property of the institution.

SUPPORT OF STUDENTS

Scholarships

The Board of Higher Education administers the state's one major undergraduate scholarship program established in 1958 and currently funded at $3.5 million per year. Between 10% and 25% of this appropriation must, by statute, be allocated to students attending Massachusetts public colleges. There is no other restriction on institutional eligibility except regional accreditation. Awards may be used at private institutions in Massachusetts and in other states and at public institutions in other states. To be eligible for consideration a student must have resided in Massachusetts for one year prior to the award year concerned. Awards to students are $700 per year in private institutions and $200 per year in public institutions. Recipients are those most in need of financial assistance. About 3900 students were assisted in 1969-70 and about 6000 will be assisted in 1970-71 under this program. The basic appropriation has been increased from $500,000 for 1968-69, to $2 million for 1969-70, to $3.5 million for 1970-71. A similar sum has already been appropriated for 1971-72.

In 1969-70, the distribution of appropriated funds was as follows:

Massachusetts private colleges	67% - $1,340,000
Massachusetts public colleges	15% - 300,000
Out-of-state colleges - public and private	18% - 360,000
Total	100% - $2,000,000

During 1970-71 about 80% of the $3.5 million will be used in the private sector, about 20% in the public sector, based on the institutional choices of individual recipients.

The Massachusetts Dental, Medical and Nursing Scholarship Program provides annual financial assistance to 600 needy students attending in- and out-of-state public and private institutions. Eligible candidates must have resided in Massachusetts for four years. The appropriation for 1970-71 is $350,000 with about $300,000 allocated to medical and dental students at the professional level and the balance to nursing students in diploma schools and at the graduate level. The private sector will receive about 90% or $315,000 of the total appropriation.

Loans

Guaranteed Loan Plan: The Higher Education Assistance Corporation administers the state-guaranteed Higher Education Loan Plan (HELP). In 1969, 18,919 loans were processed at a value of $18,142,374. Through August 1970, 14,973 loans were processed at a value of $14,598,615.

State Support of Private Higher Education

MICHIGAN

SUPPORT OF INSTITUTIONS

Per Capita Subsidy Grants for Educational Services

The Michigan Legislature established a program whereby "The state shall pay annually upon application...to each accredited, non-public school of dentistry located within the state the sum of $2400 for each doctor of dental surgery degree, or the equivalent, earned by a Michigan resident." (Act 219 of the Public Acts of 1969). Fiscal 1970-71 appropriation--$115,200.

Higher Education Facilities Authority

An authority was created in 1969 to issue tax-exempt bonds for financing the construction of academic facilities at private colleges and universities. As of June, 1970, this authorization had not been used due to the current high level of interest rates and delays in implementing the program at the state level.

Tax Deduction

The Tax Credit Bill, enacted in 1968, permits a taxpayer to take a credit against his Michigan State Income Tax for contributions made to the general fund of any public or private, two- or four-year institution of higher learning in Michigan.

Tax Rebate

The law, enacted in 1968, provides for a rebate of state gasoline taxes paid by private colleges and universities for gasoline used in buses transporting to and from school and to and from student functions.

SUPPORT OF STUDENTS

Scholarships

Needy Michigan students may receive competitive scholarships of up to $800 per year for the equivalent of tuition at any approved public or private Michigan college for graduate or undergraduate work (Act 208, 1969, as amended 1966). 1970-71 appropriation -- $7,655,000; amount to private institutions -- $2,270,000. 1969-70 -- $7,300,000; $2,555,000 to private institutions.

Grants

Tuition Equalization

Michigan provides competitive non-repayable tuition grants of up to $800 per year to permit needy students to attend private, non-profit Michigan colleges or universities (Act #313, 1966, amended 196[illegible]. Appropriation 1969-71 -- $5,200,000.

Loans

Guaranteed Loan Plan: The Michigan Higher Education Assistance Authority operates the state-guaranteed student loan plan. No 1970-71 appropriation to reserve fund.

State Support of Private Higher Education

MINNESOTA

SUPPORT OF INSTITUTIONS

Tax Deductions

Gifts to private colleges are tax deductible from the state income tax.

SUPPORT OF STUDENTS

Scholarships

The Minnesota State Scholarship Program awards $200 to $800, based on scholarship and financial need, to State residents who meet eligibility requirements and intend to enroll at an approved Minnesota institution, excluding vocational or nursing schools. The award is paid to the institution. Honorary Scholarship Awards without stipends are granted in recognition of the applicant's outstanding college potential. An honorary award winner must attend an approved Minnesota college and qualify for the Monetary Award except for financial need. (1967 Legislature, Bill # 163A12). Appropriations for 1969-70 were $575,000; for 1970-71 $875,000. In 1969-70, $330,135 was awarded in new grants of which 66% or $215,575 went to private institutions. In 1970-71, $300,000 in new grants is appropriated of which 67% or $202,275 has gone to private institutions.

Nursing Scholarships based on financial need are awarded to students entering or enrolled in approved Minnesota schools preparing for R.N. or L.P.N. licensure in Minnesota (Act #148.286). In both cases, maximum scholarships are awarded only in cases of extreme financial need. The Nurse Scholarship Law provides that the recipient of any scholarship must agree to practice in the field of nursing for at least one year immediately after graduation in Minnesota. The appropriation for 1970-71 is $125,000. Approximately $4000 goes to private baccalaureate institutions.

Indian Student Scholarships (124-48) of up to $800 per academic year, based on academic ability and financial need, are awarded to Minnesota residents who are high school graduates or hold an approved equivalent certificate, are at least of one-fourth Indian ancestry and a member of a recognized Indian Tribe. Federal Indian Grants may supplement State Grants. A total of $75,000 was appropriated for 1970-71 with 29 of the 220 scholarships awarded going to private institutions (not more than 10% of total dollars).

Grants

The Grant-in-Aid Program awards $200 to $800 in financial assistance to eligible students with extreme financial need. Applicants

may attend eligible vocational-technical schools and schools in the para-medical fields as well as accredited colleges (1969 Legislature, Bill #136A). A total of $400,000 was appropriated for 1970-71 of which $58,000 has gone to private institutions. 1969-70 -- $200,000; amount to private institutions -- $90,000.

Loans

Guaranteed Loan Plan: Region VI of the U. S. Office of Education administers the federally-insured guaranteed student loan program.

State Support of Private Higher Education

MISSISSIPPI

SUPPORT OF INSTITUTIONS

Contractual Arrangements

The state contracts through the Southern Regional Education Board for out-of-state student places and student aid. Total SREB appropriation 1969-70: $243,200. Amount to private institutions: $56,000.

SUPPORT OF STUDENTS

Scholarships

None

Grants

None

Loans

Guaranteed Loan Plan: Region IV of the U. S. Office of Education operates the state's federally insured student loan plan.

State Support of Private Higher Education

MISSOURI

SUPPORT OF INSTITUTIONS

Limited property and sales tax exemptions.

SUPPORT OF STUDENTS

Scholarships

None

Grants

None

Loans

Guaranteed Loan Plan: The state contracts with United Student Aids Fund, Inc. to administer the USAF endorsed state guaranteed student loans. No appropriation necessary for 1970-71.

RECENT LEGISLATIVE PROPOSALS

Five pieces of legislation introduced during the 1969 legislative session to obtain state aid for private higher education failed to pass. Tuition-equalization legislation drawn along the lines of plans existing in Illinois, Michigan, and Iowa will be introduced in January 1971.

The defeated proposals called for:

1. State competitive scholarships awarded to students of limited financial means (Bill 426).

2. A tuition-equalization program (Bill 451).

3. Contractual arrangements for educational services (Bill 520).

4. Contractual arrangements with private schools and colleges of medicine and osteopathy (Bill 581).

5. Educational Opportunity Grants for capable disadvantaged students (Bill 927).

State Support of Private Higher Education

MONTANA

SUPPORT OF INSTITUTIONS

Contractual Arrangements for out-of-state student places are made through the Western Interstate Commission for Higher Education. Appropriation to private institutions 1970-71: $38,400.

SUPPORT OF STUDENTS

Scholarships

None

Grants

None

Loans

Guaranteed Loan Plan: Region VIII of the U. S. Office of Education operates the federally insured student loan program.

State Support of Private Higher Education

NEBRASKA

SUPPORT OF INSTITUTIONS

None

Nebraska has a constitutional proscription against state aid to any non-public school.

SUPPORT OF STUDENTS

Scholarships

None

Loans

Guaranteed Loan Plan: Region VI of the U. S. Office of Education administers the federally-insured guaranteed student loan program.

Grants

None

RECENT LEGISLATIVE PROPOSALS

A 1969 proposal (Bill 920) called for financial assistance to needy students attending any institution of higher education in Nebraska. The problems of unconstitutionality and cost resulted in its failure to pass.

State Support of Private Higher Education

NEVADA

SUPPORT OF INSTITUTIONS

Contractual Arrangements for out-of-state student places are made through the Western Interstate Commission for Higher Education. Appropriations to private institutions 1970-71: $47,401.

SUPPORT OF STUDENTS

Scholarships

None

Grants

None

Loans

Guaranteed Loan Plan: Under contract with the State the United Student Aids Fund, Inc. (USAF) operates Nevada's USAF endorsed guaranteed student loan program.

State Support of Private Higher Education

NEW HAMPSHIRE

SUPPORT OF INSTITUTIONS

Capital Construction Assistance

In 1970 the legislature created the New Hampshire Higher Educational and Facilities Authority (16.1) to provide a machinery through which private institutions may arrange to issue tax-exempt bonds for facility construction. The credit of the state is not involved in the issuance of such bonds; it does not act as guarantor. (Members of the Authority are being appointed by the governor at the time of this report.)

SUPPORT OF STUDENTS

Scholarships

In 1967 the legislature established a state scholarship program for which students attending private colleges would be eligible; however no funds have ever been appropriated for this program. (Chapter 434,1967)

Loans

Guaranteed Loan Plan: The New Hampshire Higher Education Assistance Authority is a private non-profit corporation founded with private funds to administer the state-guaranteed student loan program. No state appropriation needed.

Grants

None

State Support of Private Higher Education

NEW JERSEY

SUPPORT OF INSTITUTIONS

Capital Construction Assistance

The New Jersey Education Facilities Authority provides a central agency for issuing bonds, administering the overall loan program and purchasing equipment. The advantages of such an authority are (1) low average interest rates due to their tax-free nature, (2) savings through quantity purchasing of equipment and (3) flexibility in meeting the wide variety of construction requirements among various colleges. Public and private colleges and universities borrow money through the proceeds of bonds issued by the Authority for the construction of buildings. The property on which the facilities are constructed is deeded to the Authority and reverts to the institution once its obligations to the Authority are discharged. The college leases the facility and property from the Authority but obtains full administrative control. As of January 1, 1970, $25 million in bonds was issued with $5 million to private institutions.

Grants

A portion of the money used for the Economic Opportunity Grant program for students is given to public and private institutions to provide supportive services in such areas as tutoring and counseling. In 1970-71, $456,866 of the $3,550,000 appropriated went to private institutions.

SUPPORT OF STUDENTS

Scholarships

New Jersey State Scholarships of $500, or the cost of tuition, are granted competitively on the basis of financial need and scholastic achievement. A total of 4900 awards are available to high school seniors and college freshmen who are New Jersey residents only. The 1970-71 appropriation is $6,890,000; $1,175,000 to private institutions. 1969-70 total appropriation $6,900,000; to private institutions $2,415,000.

Grants

County College Graduate Scholarship Grants of $500, or the cost of tuition, are awarded on a financially-competitive basis to graduates of New Jersey County Colleges who plan to attend a four-year institution as full-time students and who are New Jersey residents only. The 1970-71 appropriation is $511,500; $128,000 to private institutions. 1969-70: $250,000 with $87,500 to private institutions.

Tuition Equalization: Educational Incentive Grants of up to $500, based on tuition and fees, are awarded annually to any student who has received a state scholarship and plans to attend a college, university, or hospital school of nursing in New Jersey where tuition and fees exceed $500. Students who have received a state scholarship are automatically considered for an Incentive Grant. The number of grants is dependent upon funds available. The 1970-71 appropriation is $1,432,000, 100% of which goes to private institutions. 1969-70 -- $1,300,000.

Educational Opportunity Fund Grants of up to $1000 are awarded annually to economically and educationally deprived students who are New Jersey residents. The program is unique in that it recruits persons with potential for college success who otherwise would not be admitted. Further eligibility is determined by the college where the student is enrolled or to which he has been admitted. Ten per cent of the fund may be used to assist out-of-state undergraduates and New Jersey graduate students. No competitive scholarship winner is eligible. The 1970-71 appropriation is $6,125,000; $731,000 to private institutions. The 1969-70 appropriation: $2,400,000, about $200,000 to private institutions.

Tuition Aid Grants of up to $1000, based on financial need and tuition costs, are awarded to New Jersey residents enrolled as full-time freshmen, sophomores or juniors in September, 1970, in a New Jersey college or university whose annual tuition exceeds $450. The 1970-71 appropriation is $3,500,000 of which 100% goes to private institutions.

Loans

Guaranteed Loan Plan: The New Jersey Higher Education Assistance Authority operates the state-guaranteed student loan program. Total loans 1969-70: $39,000,000; estimated total loans 1970-71: $41,000,000.

State Support of Private Higher Education

NEW MEXICO

SUPPORT OF INSTITUTIONS

Contractual Arrangements for out-of-state student places are made through the Western Interstate Commission for Higher Education. Appropriation to private institutions 1970-71: $7,200.

SUPPORT OF STUDENTS

Scholarships

None

Grants

None

Loans

Guaranteed Loan Plan: Region VII of the U. S. Office of Education administers New Mexico's federally insured student loan program.

State Support of Private Higher Education

NEW YORK

SUPPORT OF INSTITUTIONS

Capital Construction Assistance

The New York Dormitory Authority finances all types of capital facilities in both public and private institutions. It issues long-term, tax-exempt bonds to finance buildings, and then leases the facilities to the private institutions which must pledge tuition revenues as guarantees for payment. Although it leases the facility and property from the Authority, the institution has full administrative control. Construction assistance 1969-70, $219 million worth.

Contractual Arrangements

Medical Schools: The State University of New York, through a state Educational Code provision, administers a contract program which awards private medical schools $6,000 per additional student enrolled over the enrollments in a given past period. Students paid for under this program are excluded from other subsidy plans. This program also supplies capital funds under separate agreement (up to $5 million for each institution) to match federal construction money. All payments will stop by 1973-74 when the contract program terminates unless the state extends the contract period.

Appropriation 1969-70 $7,410,000 ($1,800,000 operating support, $5,600,000 construction). Expenditures 1969-70 $2,094,000 operating support, $2,097,488 construction. 1970-71 appropriation $8,000,000 ($2 million operating support, $6 million anticipated construction).

Schools of Nursing: The State Education Department administers a program providing payments based on the expansion of enrollment to schools of nursing including public and private colleges, hospital schools, and baccalaureate colleges (Section 6920 of the Education Law). The state reimburses the institutions for expanded enrollment for 10 students over the base average, with the amounts varying among the three types of institutions. 1970-71 appropriation $2,400,000.

Direct Aid

Direct Subsidy (per enrolled student)

Medical Schools: Chapter 940 of the Laws of 1970 provides for payment of $1,500 for each student enrolled in an M.D. program at a private institution. The Office of State Aid to Non-Public Colleges will disburse approximately $4,200,000 during 1970-71 for this program.

Direct Grant Subsidy on Output

Bundy Plan (Article 129, Section 6401): State aid to non-public colleges is based upon estimates of degrees conferred and to be conferred prepared by each institution and submitted to the Office of State Aid to Non-Public Colleges of the State Education Department. ($400/B.A., $400/M.A., $2400/Ph.D.) Total estimated payment for 65 institutions in 1970-71 is $27,654,604. If the church-related institutions presently seeking eligibility become eligible, a total of 96 institutions would qualify for payments, necessitating a deficiency appropriation in 1971 of about $33.5 million. (Article 129, Section 6401)

Equal Education Opprtunity Grants: Funds granted to private institutions for provision of programs for disadvantaged students. Appropriation 1970-71: $4 million.

Manhattanville and Sarah Lawrence are working with Suny's new college at Purchase in a cooperative college center in Mount Vernon, operated for economically disadvantaged students under a state grant of $230,000. No degrees will be awarded but students competing two years of study will be eligible to transfer to four year units of Suny.

Other: The state has established a Distinguished Professorship Program, whereby endowed chairs have been established at centers of excellence; most have gone to private higher educational institutions.

SUPPORT OF STUDENTS

Scholarships

The state's competitive scholarship program was established in 1913 (Article 13). Scholarship awards are available on the basis of ability and need to New York state legal residents for study at institutions situated in the state under the following programs:

1-Regents College Scholarships
2-Regents Scholarships for Basic Professional Education in Nursing
3-Regents War Service Scholarships for Veterans (Grad. & Undergrad.)
4-Herbert H. Lehman Graduate Fellowships in Social Sciences and Public and International Affairs
5-Regents College Teaching Fellowships (for beginning and advanced graduate study)
6-Regents Fellowships for Doctoral Study in Arts, Science or Engineering (full- or part-time)
7-Regents Fellowships for Graduate Study in Nursing
8-Regents Scholarships for Medicine, Dentistry and Osteopathy

Appropriation 1969-70: $28.8 million; amount to private institutions: 62% or $17,856,000. Appropriation 1970-71: $31,200,000.

Grants

Scholar Incentive Assistance: A non-competitive student grant program for undergraduate and graduate study (Article 13-611) established in 1961 provides assistance for needy students who demonstrate minimum academic qualifications to successfully complete programs of study for which they are enrolled. Appropriation 1969-70: $37.1 million; amount to private institutions: 67% or $24,857,000.

Loans

Guaranteed Loan Plan: The New York State Higher Education Assistance Authority administers the state-guaranteed student loan plan. Loans are available to students attending out-of-state colleges and those in part-time programs or post-secondary non-collegiate programs as well as those enrolled full-time at public or private colleges and universities in the state.

State Support of Private Higher Education

NORTH CAROLINA

SUPPORT OF INSTITUTIONS

Tax Deductions

Income tax deductions of gifts to colleges (Bill G.S. 105-147(16).

Tax Exemption

The General Assembly enacted legislation in 1967 allowing a state income tax exemption of $600 for a dependent who is a full-time student at either a public or private college (Bill G.S. 105-149(5).

Per Capita Subsidy Grants for Specified Programs

1. Direct assistance to diploma nursing education programs in private as well as public hospitals is distributed in the amount of $200 each year for each student enrolled (Ch. 1138, Session Laws, 1969). 1970-71 appropriation: $320,000. Amount to private institutions has not yet been allocated.

2. Two private medical schools, Duke University and Bowan Gray Medical School, receive $2,500 for each state resident enrolled. $250 of the grant serves as tuition remission; the remainder goes to the institution. Appropriation for 1970-71: $250,000. (H.B. 653-Chapt. 1273)

Contractual Arrangements

North Carolina has a student contract program of the Southern Regional Education Board, which permits a state to purchase instructional services in certain academic programs of high cost but moderate enrollment. Under contract with SREB, the state sends students to institutions in other states, some of which are private, for the study of medicine, dentistry, veterinary medicine, public health, social work, or special education. Under this program, North Carolina sends students to such private out-of-state institutions as Meharry Medical College, Tuskegee Institute, and George Peabody College and through SREB pays the training institution a set fee for each student. Appropriation 1970-71 $203,760 ; 1969-70: $165,416. Amount to private institutions $68,000.

SUPPORT OF STUDENTS

Scholarships

For Children of War Veterans (Article 4 of G.S. Chapter 165): Disbursements are made by the state to the private institution concerned. Appropriations 1970-71: $ 1,000,000. Amount used at private institutions has not been disbursed yet.

For Physically Handicapped Students: Number granted -- amounts. 1970-71 appropriation $242,800. Disbursements not yet made this year.

For students who plan to become teachers of mentally retarded children: 1970-71 appropriation $1,000,000.

For medical and paramedical students: 1970-71 appropriation $414,000.

For students in special mental health fields: 1970-71 appropriation $56,500,

Loans

Scholarship Loans: The state provides cancellable scholarship loans through the Medical Care Commission for needy students attending medical and dental school (1969 Bill 815) -- 1970-71:$2,000,000 -- as well as state loans with a forgiveness clause for prospective teachers (Article 18-116:171) -- 1970-71: $1,000,000.

Guaranteed Loan Plan: The Board of Higher Education administers the program of the State Education Assistance Authority, the agency which insures the state-guaranteed student loan program. State appropriation to reserve funds in 1970-71, $50,000.

RECENT LEGISLATIVE PROPOSALS

1. A Bill (S.B. 264 and H.B. 508) submitted to the 1963 General Assembly would have established the "North Carolina Student Incentive Plan." If it had been enacted it would have provided grants to students of up to $100 per semester or the equivalent, the exact amount depending on family income up to $7,200. The Bill, which was favorably reported out of the House and Senate Committees on Higher Education, was defeated.

2. The 1969 General Assembly authorized a commission to study the creation of a statewide student assistance program for residents who attend public and private colleges in North Carolina and to make recommendations to the 1971 General Assembly for funding.

State Support of Private Higher Education

NORTH DAKOTA

SUPPORT OF INSTITUTIONS

None

SUPPORT OF STUDENTS

Scholarships

None

Loans

Guaranteed Loan Plan: Region VI of the U.S. Office of Education operates the state's federally guaranteed student loan program.

Grants

None

State Support of Private Higher Education

OHIO

SUPPORT OF INSTITUTIONS

Capital Facilities Support*

The Ohio Higher Educational Facility Commission, administered through the Ohio Board of Regents, constructs instructional and other facilities for private colleges on a rental basis. The Commission obtains capital improvement funds on a project by project basis through revenue bonds. The benefiting college or university must then pay a rental to the Commission which will meet the annual debt service requirements for these bonds. In practice, the Commission delegates the major part of all planning, financing and construction activities to the individual institution serving as the agent of the Commission. Library facilities, a new law school building, and residence hall facilities have been built under this program for private colleges and universities. The program in effect provides access for private colleges and universities to the municipal bond market in the United States.

Direct Grants

The State provided a 1970-71 subsidy of $1,500,000 for Case Western Reserve Medical School. (House Bill # 531)

SUPPORT OF STUDENTS

Scholarships

None

Grants

The Ohio Instructional Grants Program provides financial assistance up to $900 to students attending Ohio private institutions and $300 maximum to those attending Ohio public institutions. A needy student is eligible if he is an Ohio resident; enrolled as a full-time undergraduate in an eligible Ohio institution of higher education; working towards an associate or bachelor's degree and not enrolled in a course of study leading to a degree in theology, religion or a religious profession. The grant is made to the student through the institution (Sec. 3333.12, Ohio Revised Code, 108th General Assembly,

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* Although eminent domain exists in Ohio, it has never been used for condemnation of land for private colleges and universities.

1969). Appropriation 1970-71: $8,500,000; approximately $6 million will go to private institutions.

Loans

Guaranteed Loan Plan: The Ohio Student Loan Commission operates the state-guaranteed student loan program. A total of $18 million in loans was guaranteed during 1969-70.

State Support of Private Higher Education

OKLAHOMA

SUPPORT OF INSTITUTIONS

None

Oklahoma law specifically provides that no state funds shall be allocated for budgetary support of private institutions.

SUPPORT OF STUDENTS

Scholarships

None

Loans

Guaranteed Loan Plan: The Oklahoma State Regents for Higher Education operate the state-guaranteed student loan program. A total of $3,653,416 in loans was approved for 1969-71, $4.5 million for 1970-71. An estimated 60% of the annual appropriation goes to students attending public institutions and 40% to those in private schools. No appropriation of state funds.

Grants

None

State Support of Private Higher Education

OREGON

SUPPORT OF INSTITUTIONS

Contractual Arrangements for out-of-state student places are made through the Western Interstate Commission for Higher Education. Appropriation to private institutions 1970-71: $8,668.

SUPPORT OF STUDENTS

Scholarships

Scholarships are available to Oregon residents at four-year public or private, degree-granting institutions in Oregon on the basis of ability and need. The maximum annual award is $500 and is continued yearly depending on the student's achievement record and on-going financial need. Appropriation 1969-70: $167,000; $55,110 to private institutions. Appropriation for 1970-71: $167,135.

Grants

Tuition-equalization

Fee-remission grants of $100 per year are awarded by the State Scholarship Commission to Oregon students accepted or enrolled as full-time students in approved Oregon post-secondary private four-year institutions. (H.1447, 1969 Legislature). An eligible applicant must not be enrolled in a course of study leading to a degree in theology, divinity or religious education. A total of $1,325,100 was appropriated for the biennium 1969-71. 1969-70: $648,400.

Loans

Guaranteed Loan Plan: The Oregon State Scholarship Commission administers the state-guaranteed student loan program. There was no state appropriation for loans for 1969-71. However, the Commission made $8 million in loans in 1969-70 with reserve funds, federal seed money and earnings from the loans. It is estimated that $9.3 million in loans will be made in 1970-71. For the biennium 1971-73, the Commission is requesting $22,000 in state guarantee. Approximately 17% to 20% of the loans go to students attending private institutions in Oregon.

CURRENT LEGISLATIVE PROPOSALS

Two separate pieces of legislation affecting private colleges will probably be introduced in the 1971 session of the legislature. One is a tuition grant program in which awards would be made on the basis of financial need amounting to the difference between the student's resources and the expense of the student at the institution he plans to attend. It is proposed that this program be funded in the amount of $500,000 for the biennium. The second piece of legislation proposed would authorize the Educational Coordinating Council to enter into a contract with a non-public institution of higher education to provide "secular educational services" for Oregon students. The exact amount to be provided has not

been determined but it is expected that the contract would provide for a rate of at least $300 for 45 quarter hours. The total appropriation for the biennium will depend upon a per unit figure and the anticipated enrollments.

The Oregon Independent Colleges Association will also seek the same exclusion from payment of a new transit tax as is enjoyed by the state schools.

The Association is also seeking to secure for the independent institutions the privilege of using the state purchasing system for all purchases. This may not require legislation, but if it does, the Association is prepared to press for such a law.

State Support of Private Higher Education

PENNSYLVANIA

SUPPORT OF INSTITUTIONS

Capital Facilities Assistance

The Pennsylvania Higher Education Facilities Authority administers the construction of capital facilities at private institutions of higher education (Act. No. 318, 1967 General Assembly). The Authority is financed through the sale of long-term tax free bonds. Repayment of Authority financing is provided through a long-term-pay-as-you-go lease-back system of capital investment facilities. Upon termination of the prescribed time, title to the property reverts to the institution. For the period January 1, 1970, to September 1, 1970, $3,471,547 in construction grants were made.

Tax Exemption

Public property used for public purposes and "institutions of purely public charity" are exempt from taxation (Act No. 401, 1919 General Assembly). Authority for this law stems from Article 8, Section 2 of the Pennsylvania Constitution as amended through 1968. "The General Assembly may by law exempt from taxation....Institutions of purely public charity, but in the case of any real property tax exemptions only that portion of real property....which is actually....used for the purposes of the institution."

Direct Grants

In addition to monies granted to state-related institutions (e.g. University of Pennsylvania) the amounts listed for the following schools have been appropriated by legislation enacted to date. It can be assumed that after January 1, 1971 a similar amount (or perhaps more) will be appropriated.

STATE-AIDED COLLEGES AND UNIVERSITIES

Delaware Valley College of Science and Agriculture	$ 77,000
Dickinson School of Law	45,000
Drexel Institute of Technology	1,213,000
Hahnemann Medical College	791,000*
Lincoln University	425,000
Penna. College of Optometry	42,000
Penna. College of Podiatric Medicine	56,000*
Phila. College of Art	149,042
Phila. College of Osteopathic Medicine	671,000*
Phila. College of Textiles & Science	105,000
Thomas Jefferson University	1,243,000*
The Medical College of Penna. (formerly Woman's Medical College)	423,000*
University of Pennsylvania	6,000,000**
Total	$11,240,042

* For the support of medical and medically-related programs.
** A portion of this will be used to support the medical college.

SUPPORT OF STUDENTS

Scholarships

The State Scholarship Program administered by the Pennsylvania Higher Education Assistance Agency (Act # 541, 1966) provides tuition and fees assistance to residents. The program enables needy students to make their own choice of higher education, whether at a college or university, or in a non-degree program of studies at a hospital school of nursing, a private trade, technical, or business school, or a two-year terminal program at a community college. Competitive examination as well as demonstrated need are required of students who plan to attend degree-granting institutions. The 1969-70 total appropriation was approximately $51.4 million. About 3000 students hold non-degree scholarships valued at over $2 million, and 2300 hospital school nursing scholarships are held by students valued at over $1 million. Just under 50% of all scholarship recipients attend private colleges and universities. Pennsylvania private (not state-related) colleges , universities and graduate schools received $18,450,398 for 24,309 recipients. Private junior colleges received $996,252 for 1520 recipients. Private medical colleges received $2,761,000.

Grants

The Educational Incentive Program (EIP) -- a special grant program funded and administered by the Assistance Agency -- provides maximum grants of $800 to state residents who do not meet the College Board SAT requirement in the basic state scholarship program. An eligible incoming freshman must be a first year student who has not attained a combined (verbal plus mathematics) score of 800 or higher or did not take the test; a full-time student at a two- or four-year school approved by PHEAA, enrolled in a program leading to a baccalaureate or associate degree and must qualify for financial aid. Awards of $969,000 were made through August 31, 1970 with $392,000 going to private institutions.

Loans

Guaranteed Loan Plan: PHEAA administers the state-guaranteed student loan program (Act 290, 1968). As of March 31, 1970, loans valued at $51,007,794 had been guaranteed during the first nine months of the fiscal year.

State Support of Private Higher Education

RHODE ISLAND

SUPPORT OF INSTITUTIONS

None

SUPPORT OF STUDENTS

Scholarships

Rhode Island Scholarships of $250 to $1000 are awarded annually to approximately 5% of the enrollment of the graduating classes in all Rhode Island secondary schools planning to attend any approved institution in the United States or Canada and pursuing any course leading to a bachelor's degree. Eligibility is determined by high school scholastic records, test performance and financial need. Awards are made directly to each recipient's school in payment of his fees. The number of scholarships awarded and renewed each year depends upon action by the General Assembly and available funds. Appropriation 1970-71: $1,500,000; $825,000 to private institutions. A total of $1,686,000 was appropriated for 1970-71.

Business Education Teachers Scholarships of $750 are awarded to high school graduates who wish to teach in the field of Business Education and will agree to teach in Rhode Island schools for at least two years. A total of $14,000 was appropriated for 1970-71, 100% of which goes to private institutions.

Nursing Education Scholarships of $250 are available to students attending hospital schools of nursing and $500 to those at colleges. Eligible candidates are high school graduates wishing to study nursing and graduate nurses wishing to take graduate courses. A total of $70,000 was appropriated for 1970-71. No figures are available for private institution appropriation.

War Orphans Scholarships of $50 a year are awarded to children of those who served in any war in which the United States has been engaged, who had legal residence in Rhode Island when entering into U.S. military or naval service and were killed in action or died from other causes or are receiving a pension due to more than 50% disability. A total of $3000 was appropriated for 1970-71. No figures are available for students attending private institutions.

Loans

Guaranteed Loan Plan: The Rhode Island Higher Education Assistance Corporation administers the state-guaranteed loan plan. The total amount of loans approved for 1969-70 was $5,144,000, and the estimated total for 1970-71 is $6,800,000.

State Support of Private Higher Education

SOUTH CAROLINA

SUPPORT OF INSTITUTIONS

Capital Construction Assistance

The 1969 General Assembly established an Educational Facilities Authority enabling private non-profit institutions of higher education to secure tax-exempt bonding capability for capital construction purposes. The Authority may not, however, pledge the full faith or credit of the state as to redemption of such bonds.

Contractual Arrangements

Special Services: By act of the 1970 General Assembly, non-profit private institutions of higher education may utilize the services of the state purchasing office in the same manner as public institutions for bulk purchase of routine supplies and equipment.

Teacher Training: The state contracts with independent colleges to train public school teachers. Total appropriation for 1970-71 is $200,000. The appropriation is administered by the Commission on Higher Education.

Practice Teaching Fees: The state compensates public school teachers for supervising "practice teaching" of undergraduates at independent colleges. Appropriation for 1970-71: $100,000.

Southern Regional Education Board: The state contracts with the Board to provide student aid and/or student spaces at reduced tuition rates, for South Carolina students at specified out-of-state institutions for specific curricula not available in-state. Contracts are in force in Dentistry (now being phased out following establishment of the School of Dentistry at the Medical University of South Carolina), Veterinary Medicine, Occupational Therapy, and Library Science. During the year ending June 30, 1970, contracts totalled $107,573. Amount to private institutions -- $9,000.

SUPPORT OF STUDENTS

Scholarships

None

Grants

In-State: Although the state constitution prohibits "direct or indirect" aid to non-public institutions, the General Assembly adopted and the Governor signed a tuition equalization bill (#289-S) establishing a system of grants available to students at non-public South Carolina institutions. A 1970-71 appropriation of $5,000 was made in order to provide a court test of the constitutionality of the Act.

Out-of-State: South Carolina authorizes the State Board of Control of the Southern Regional Education Board to award fully state-funded tuition grants to South Carolina residents enrolling in any accredited out-of-state institution for any curricula not available to them in-state. These grants are independent of other SREB activities. The usual maximum grant is $350 per year. During the year ending June 30, 1970, 350 students received grants totalling $93,000. No figures are available on the amount to private institutions.

Loans

Guaranted Loan Plan: United Student Aid Funds, Inc. endorses students' loans and operates South Carolina's guaranteed student loan program. 1245 loans valued at $833,000 were made during the fiscal period ending may 1970.

CURRENT LEGISLATIVE PROPOSALS

Future efforts will center around constitutional revision to permit more state assistance; sales tax exemption; gift tax credit.

State Support of Private Higher Education

SOUTH DAKOTA

SUPPORT OF INSTITUTIONS

None

SUPPORT OF STUDENTS

Scholarships

The state has a special financial aid program to assist Indians who wish to attend public or private institutions. The appropriation for 1970-71: $21,000, each award for up to $350.

Grants

None

Loans

Guaranteed Loan Plan: Region VI of the U.S. Office of Education operates the state's federally guaranteed student loan program.

RECENT LEGISLATIVE PROPOSALS

A tuition grant bill failed to pass but is expected to be presented when the new legislature convenes in January 1971.

State Support of Private Higher Education

TENNESSEE

SUPPORT OF INSTITUTIONS

Contractual Arrangements

The state contracts through the Southern Regional Education Board for places and student aid at out-of-state insitutions. Total SREB appropriation: $168,800. Amount to private institutions: $60,200.

SUPPORT OF STUDENTS

Scholarships

Service-scholarship loans are awarded to Tennessee graduate students enrolled in professional nursing schools. The loan may be converted to a scholarship if the graduate teaches nursing in a Tennessee school of nursing for at least one year. The state appropriation for 1970-71 was $80,000.

Grants

None

Loans

Guaranteed Loan Plan: The Tennessee Educational Loan Corporation administers the state-guaranteed student loan program which aids Tennessee students attending any approved institution within the state. The Corporation endorsed loans of $1,819,208 from July 1969 through June 1970. No state appropriation was made to the reserve fund.

Region VI of the U.S. office of Education provides funds for Tennessee residents who attend out-of-state institutions.

State Support of Private Higher Education

TEXAS

SUPPORT OF INSTITUTIONS

Contractual Arrangements

The state contracts through the Southern Regional Education Board for places and student aid at out-of-state institutions. Total SREB appropriations 1969-70: $24,850, all of which went to private institutions.

SUPPORT OF STUDENTS

Scholarships

None

Grants

None

Loans

Direct

In 1965 Texas amended its constitution and authorized the issuance of bonds for funds to conduct the Texas Opportunity Plan (TOP) loan program. (Article 265g-Annotated Texas Civil Statutes) Loans are made directly by the Coordinating Board, Texas College and University System to eligible students. Credit life insurance is carried by the Board on a borrower's life in an amount sufficient to cover his indebtedness. The federal government pays the interest for any student whose adjusted family income is under $15,000.

1969-70: 63,345 loans totalling $23,982,772 of which 11,951 amounting to $5,085,505 were made to students attending private senior and junior institutions.

1970-71 (estimate): 77,430 loans - $29,750,000; to private sector - 18,130 loans - $7,870,000.

Guaranteed Loan Plan: Region VII of the U.S. Office of Education operates the state's federally-guaranteed student loan program.

State Support of Private Higher Education

UTAH

SUPPORT OF INSTITUTIONS

Contractual Arrangements for out-of-state student places are made through the Western Interstate Commission for Higher Education. Appropriation to private institutions 1970-71: $2,400.

SUPPORT OF STUDENTS

Scholarships

None

Grants

None

Loans

Guaranteed Loan Plan: Region VIII of the U. S. Office of Education operates the State's federally-insured guaranteed student loan program. The last two sessions of the Utah Legislature have appropriated $3 million per year which the State Board of Higher Education may borrow and in turn lend to local banks to encourage them to make student loans under the federal program. (Chapter 16, 1970)

State Support of Private Higher Education

VERMONT

SUPPORT OF INSTITUTIONS

Contractual Arrangements: Norwich University (private) received a 1970 appropriation of $91,805 through the Vermont Development Department toward support of its Bureau of Industrial Research. The university's expertise is used for help in business production problems.

Capital Construction Assistance

A legislative provision authorized the Vermont Educational Building Financing Agency, a state loan agency from which all institutions could borrow money. The legality of the act was challenged when two private schools applied for loans. The minor courts ruled in favor and the ruling has now been appealed to the Supreme Court.

SUPPORT OF STUDENTS

Scholarships

Honor Scholarships: Annual competitive awards of $100 each, based on academic standing only, are made to 100 Vermont students who have been accepted for admission at an approved college or university. Appropriation in 1969-70 and 1970-71: $10,000. To private institutions: 70% or $7,000.

Senatorial Scholarships of up to $300 are awarded to worthy and needy residents for attendance in Vermont senior colleges and universities or an accredited Vermont nursing school. Appropriation 1970-71: $90,000. Amount to private institutions: $6,900.

Grants

Incentive grants of up to $1000 per year were established to aid needy residents to attend any approved in-or out-of-state college or school of nursing, or enrolled in the Medical College at the University of Vermont. Appropriation 1969-70: $1,088,471. Amount to Vermont private institutions: $295,067; approximate amount to out-of-state private institutions: $65,000 -- a total of $360,067 or almost one-third to the private sector. Appropriation 1970-71: $1,300,000.

Loans

Direct: The Vermont Student Assistance Corporation administers a small direct loan program. In 1970 -- 27 loans totalling $28,105.

Guaranteed Loan Plan: The Vermont Student Loan Program providing state-guaranteed loans to Vermont residents accepted or enrolled full-time in any approved Vermont college, or any college, university, technical institute, business, trade, or vocational school approved by the U. S. Office of Education is administered by the Vermont Student Assistance Corporation. 1970: 468 loans with a guarantee value of $511,685.

Region I of the U. S. Office of Education administers the federally-insured guaranteed student loan program.

State Support of Private Higher Education

VIRGINIA

SUPPORT OF INSTITUTIONS

Contractual Arrangements

The state contracts through the Southern Regional Education Board for places and student aid at out-of-state institutions. Total SREB appropriation 1969-70: $123,250. Amount to private institutions: $47,650.

SUPPORT OF STUDENTS

Scholarships

State Teachers Scholarships of $350 are available to any Virginia resident preparing to teach in Virginia public schools in elementary grades or in subjects generally offered in Virginia high schools. Any undergraduate is eligible if he is enrolled in a school offering teacher training and a student teaching curriculum that will qualify him for a Collegiate Professional Certificate. Awards totaling $2,310,000 were made for 1969-71. No figures are available as to the amount used at private institutions.

Grants

None

Loans

Guaranteed Loan Plan: The Virginia State Education Assistance Authority administers the state-guaranteed student loan program for Virginia students. A total of $150,000 was appropriated for 1970-71. In fiscal year 1969-70, 8746 loans were made totaling $7,494,955.

Region III of the U. S. Office of Education had administered the federally-insured guaranteed student loan program for Virginia students attending out-of-state institutions but on July 17, 1970 the Governing Board of the Authority approved the expansion of the loan program to include loans to students attending colleges outside of Virginia, but in U. S. territory. Thus participating banks can make loans to students in approved non-Virginia schools. The Authority guarantees loans to the extent of 90% of their principal.

State Support of Higher Education

WASHINGTON

SUPPORT OF INSTITUTIONS

None

Under legislative order (Engrossed House Concurrent Resolution #5) the Council on Higher Education will by 1971 complete a priority study of the relationship of the private institutions to the total system of higher education within the State. A suggestion made in a 1968 report calling for state support through contractual arrangements is receiving extensive consideration.

SUPPORT OF STUDENTS

Scholarships

None

Grants

The Washington Student Financial Aid program assists qualifying needy and disadvantaged Washington students to attend public or private accredited institutions of their choice. No awards are given to married, emancipated*, graduate or theology students. A student may sign a voluntary repayment pledge (H. 635, Pt.IV). 1970-71 appropriation: $600,000. No appropriation to private institutions thus far.

Loans

Guaranteed Loan Plan: Region IX of the U. S. Office of Education administers the federally-insured guaranteed student loan program.

* Emancipated student - a student not residing with his parents for a specified period of time and receiving no financial support from his parents or other persons "in loco parentis" for a particular academic year.

State Support of Private Higher Education

WEST VIRGINIA

SUPPORT OF INSTITUTIONS

Contractual Arrangements

The state contracts through the Southern Regional Education Board for places and student aid for residents attending out-of-state institutions. Total SREB appropriation 1969-70: $16,425 of which none went to private institutions.

SUPPORT OF STUDENTS

Scholarships

The West Virginia Scholarship Program, initiated in 1969-70, provides financial assistance to permit students qualified as able and needy to attend their choice of approved institutions of higher education within the state. Financial need is a principal qualification in granting monetary awards. The total annual scholarship may not exceed the tuition and fees or $600, whichever is less; awards are payable directly to the college or university. Certificates of merit are presented to all students of outstanding achievement who meet the scholarship requirements. Of 606 scholarship grants for 1969-70, 74 were made to students attending private institutions. Total appropriation for 1970-71 is $250,000. About 25% or $62,500 goes to the private sector.

Loans

Guaranteed Loan Plan: Region III of the U. S. Office of Education administers the federally-insured guaranteed student loan program. An appropriation of $175,000 was made to the reserve fund in 1969 creating a loan capacity of $2,000,000.

State Support of Private Higher Education

WISCONSIN

SUPPORT OF INSTITUTIONS

Direct Aid

The Wisconsin State Legislature appropriated $3 million for the fiscal year 1970 to Marquette Medical School for operating expenses. However, it should be noted that the Medical School is a private corporation.

Tax Deductions for contributions are allowed on corporate income tax returns.

Tax Exemptions

Private institutions are exempt from sales and use taxes as well as property taxation.

SUPPORT OF STUDENTS

Money for the majority of student support is taken from a general fund; no money is appropriated specifically for public and private schools but depends upon which institution the student choses. These programs are generally referred to as "sum sufficient" and money is appropriated as the need arises.

Scholarships

Honor Scholarships provide financial assistance of $100 to $800 to needy Wisconsin honor scholars in the top 10% of their graduating high school class who are enrolled as first-time full-time students in a Wisconsin institution of higher education.

Appropriation 1969-70 and 1970-71 - $750,000 each year.
For students attending private institutions - 18% or $60,000.

Stipends for Teachers of the Handicapped were initiated in Fall, 1970, with 120 awards, based on financial need, of up to $1500 given to eligible candidates who are Wisconsin residents accepted for enrollment or enrolled in an approved program leading to certification as a teacher of handicapped children.

1970-71 appropriation - $100,000.
For students attending private institutions - 10% or $10,000.

Teacher Scholarships of $1200, or the cost of tuition, are awarded to 200 students from educationally disadvantaged areas to enable them to complete a college education and to encourage them to teach in educationally disadvantaged areas of Wisconsin. A student is eligible if he attended a Wisconsin high school in which 30% or more of the students are educationally disadvantaged. He must agree to teach in a disadvantaged school and perform services to the area community for five hours a week.

1970-71 appropriation - $210,000
For students attending private institutions - 11% or $23,100

Wisconsin Indian Scholarships of up to $900 per academic year are awarded to students of American Indian descent to cover the costs of tuition and room and board while attending a degree-granting Wisconsin institution.

1970-71 appropriation - not available.

Grants

The Tuition Grant Program awards financial assistance of up to $325 per semester to freshmen and sophomores and $250 per semester to juniors and seniors. The award is paid to Wisconsin students attending accredited private non-profit, post-high school educational institutions whose tuition exceeds that of the University of Wisconsin-Madison. 1970-71 appropriation to private institutions: $2,000,000.

The Tuition Reimbursement Program provides financial assistance of up to $500 which is payable to Wisconsin students, enrolled in courses not offered by Wisconsin public institutions of higher education, who have completed one year of collegiate work at accredited out-of-state institutions or Wisconsin private schools. Eligible professional degree courses include optometry, veterinary medicine, dentistry and dental hygiene. The grant, which is not automatically continued yearly, covers the difference between the tuition at an out-of-state or private school and the resident fees at the University of Wisconsin-Madison. 1970-71 appropriation - $320,000; for students attending private institutions - 65% or $208,000.

In 1969 the total appropriation for both grant programs, $2,200,000, went to private institutions.

Loans

Guaranteed Loan Plan: The Wisconsin Higher Education Corporation operates the state-guaranteed student loan program.

1970-71 loans: $7,000,000 - about 15% to students attending private institutions.

State Support of Private Higher Education

WYOMING

There are no private institutions in Wyoming.

Contractual Arrangements

The state contracts through the Western Interstate Commission for Higher Education for out-of-state student places. Appropriation to private institutions 1970-71: $17,403.